## Take Five - New Grace Period for Non Use in Ukraine via Association Agreement?

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Slobodan Petošević (PETOSEVIC)

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The IP-related provisions of the EU-Ukraine Association Agreement, signed and ratified by Ukraine in 2014, came into force on September 1, 2017. New rules regulating the non-use grace period for trademarks were thereby introduced. Where the existing trademark law provides for a 3-year non-use grace period, Article 198 of the Agreement sets forth the 5-year non-use grace period.

However, Ukraine has not adopted any laws that would implement such provisions in the national legislation yet. Consequently, Ukrainian courts are facing a dilemma in non-use cancellation actions as to what the applicable grace perios really is. This raises the question of direct applicability of the EU-Ukraine Association Agreement provisions.

Recently, in a court ruling dated February 12, 2018 by the Commercial Court of Kyiv in the case no. 910/14972/17, the judge effectively applied a 5-year non-use grace period, as provided for under the Association Agreement, and rejected the non-use cancellation action, which was based on the 3-year grace period, as per Ukrainian Trademark Law. The court held that the EU-Ukraine Association Agreement is a binding international agreement, thus its provisions should prevail if they differ from the rules provided by the Ukrainian law.

Further on, since Article 198 provides for a different grace period, the Agreement's provisions are directly applicable. The ruling also emphasizes, that the Association

Agreement does not foresee any particular means of implementation of these provisions in the Ukrainian national law.

This ruling may still be appealed before the court of second instance. It may eventually be reviewed even by the recently reorganized Ukrainian Supreme Court and the case law may be established soon. By then, the judge's arguments in this ruling should be taken into account when filing a cancellation action on grounds of non-use in Ukraine.